

## § 537.209

rates that are commercially reasonable; or

(ii) With a broker or dealer registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934, provided the funds are invested in a money market fund or in U.S. Treasury bills.

(2) For purposes of this section, a rate is commercially reasonable if it is the rate currently offered to other depositors on deposits or instruments of comparable size and maturity.

(3) Funds held or placed in a blocked account pursuant to this paragraph (b) may not be invested in instruments the maturity of which exceeds 180 days. If interest is credited to a separate blocked account or subaccount, the name of the account party on each account must be the same.

(c) Blocked funds held in instruments the maturity of which exceeds 180 days at the time the funds become subject to § 537.201(a) may continue to be held until maturity in the original instrument, provided any interest, earnings, or other proceeds derived therefrom are paid into a blocked interest-bearing account in accordance with paragraph (b) or (d) of this section.

(d) Blocked funds held in accounts or instruments outside the United States at the time the funds become subject to § 537.201(a) may continue to be held in the same type of accounts or instruments, provided the funds earn interest at rates that are commercially reasonable.

(e) This section does not create an affirmative obligation for the holder of blocked tangible property, such as chattels or real estate, or of other blocked property, such as debt or equity securities, to sell or liquidate such property at the time the property becomes subject to § 537.201(a). However, the Office of Foreign Assets Control may issue licenses permitting or directing such sales in appropriate cases.

(f) Funds subject to this section may not be held, invested, or reinvested in a manner that provides immediate financial or economic benefit or access to any person whose property or interests in property are blocked pursuant to § 537.201(a), nor may their holder cooperate in or facilitate the pledging or

## 31 CFR Ch. V (7–1–10 Edition)

other attempted use as collateral of blocked funds or other assets.

### **§ 537.209 Expenses of maintaining blocked property; liquidation of blocked account.**

(a) Except as otherwise authorized, and notwithstanding the existence of any rights or obligations conferred or imposed by any international agreement or contract entered into or any license or permit granted before 12:01 a.m. eastern daylight time, July 29, 2003, all expenses incident to the maintenance of physical property blocked pursuant to § 537.201(a) shall be the responsibility of the owners or operators of such property, which expenses shall not be met from blocked funds.

(b) Property blocked pursuant to § 537.201(a) may, in the discretion of the Director, Office of Foreign Assets Control, be sold or liquidated and the net proceeds placed in a blocked interest-bearing account in the name of the owner of the property.

### **§ 537.210 Exempt transactions.**

(a) *Personal communications.* The prohibitions contained in this part, other than those set forth in § 537.203, do not apply to any postal, telegraphic, telephonic, or other personal communication that does not involve the transfer of anything of value.

(b) *Information or informational materials.* (1) The prohibitions contained in this part, other than those set forth in § 537.203, do not apply to the importation from any country, or the exportation to any country, whether commercial or otherwise, of information or informational materials, regardless of format or medium of transmission.

NOTE TO PARAGRAPH (b)(1) OF § 537.210: Section 537.203 prohibits the importation of products of Burma into the United States pursuant to the Burmese Freedom and Democracy Act of 2003. Therefore, the importation into the United States of information or informational materials that are products of Burma is not exempt from the prohibition set forth in § 537.203. However, such transactions are authorized by the general license set forth in § 537.515.

(2) This section does not exempt from regulation or authorize transactions related to information or informational materials not fully created and